

111TH CONGRESS  
1ST SESSION

# S. 1402

To amend the Internal Revenue Code of 1986 to increase the amount allowed as a deduction for start-up expenditures.

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IN THE SENATE OF THE UNITED STATES

JULY 7, 2009

Mr. MERKLEY (for himself and Mr. ALEXANDER) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to increase the amount allowed as a deduction for start-up expenditures.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Jump  
5 Start Act of 2009”.

6 **SEC. 2. INCREASE IN AMOUNT ALLOWED AS DEDUCTION**  
7 **FOR START-UP EXPENDITURES.**

8 (a) IN GENERAL.—Subsection (b) of section 195 of  
9 the Internal Revenue Code of 1986 is amended by adding  
10 at the end the following new paragraph:

1           “(3) SPECIAL RULE FOR TAXABLE YEARS BE-  
2           GINNING IN 2009, 2010, OR 2011.—In the case of a  
3           taxable year beginning in 2009, 2010, or 2011,  
4           paragraph (1)(A)(ii) shall be applied—

5                   “(A) by substituting ‘\$10,000’ for  
6                   ‘\$5,000’, and

7                   “(B) by substituting ‘\$60,000’ for  
8                   ‘\$50,000’.”.

9           (b) EFFECTIVE DATE.—The amendments made by  
10          this section shall apply to amounts paid or incurred in tax-  
11          able years beginning after the date of the enactment of  
12          this Act.

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